# EXHIBIT H

# Board to close marijuana retail license

### Board to close marijuana retail license application window March 31, 2016

Opportunities for applicants still available

OLYMPIA – The Washington State Liquor and Cannabis Board (WSLCB) will stop accepting marijuana retail license applications March 31, 2016 at 5:00 p.m. The WSLCB began processing retail applications on Oct. 12, 2015 to accommodate additional demand and provide additional access points before the medical and recreational marketplace are merged on July 1, 2016.

"We are at the point where the number of highest priority applicants will exceed the number of available retail licenses," said WSLCB Licensing Division Director Becky Smith. "We'll meet the retail cap with priority ones and twos that we're already processing."

#### Retail Cap

On January 6, 2016, the Board adopted emergency rules to expand the number of retail marijuana outlets to align the two markets. Based on staff's recommendation, the former retail store cap of 334 was lifted to a new cap of 556. The recommendation followed an analysis of the entire marijuana marketplace by the state's contracted research organization, BOTEC Analysis Corporation.

#### **Priority System**

The 2015 Cannabis Patient Protection Act directed the WSLCB to issue licenses in the following priority order.

- Priority 1: Applicants who applied for a marijuana retail license prior to July 1, 2014, operated (or were
  employed by) a collective garden prior to January 1, 2013, have maintained a state and local business
  license and have a history of paying state taxes and fees.
- Priority 2: Applicants who operated (or were employed by) a collective garden prior to January 1, 2013, have maintained a state and local business license and have a history of paying state taxes and fees.
- Priority 3: applicants are those who do not meet priority 1 or 2 criteria.

Since it began accepting applications Oct. 12, 2015, the WSLCB has prioritized 162 priority 1 applications, 63 priority 2 applications and 879 priority 3 applications with 166 still awaiting prioritization. Once prioritized, an applicant must still pass a thorough criminal, location, residency and financial background investigation.

#### **Next Steps**

Applicants must apply for a business license before the deadline on March 31, 2016 to be considered for a retail store at this time. Currently, 29 communities are closed for processing because the WSLCB has licensed the maximum allotted stores in those areas. Each Wednesday through March, the WSLCB will post a list communities available for application on the **Frequently Requested Lists** (http://lcb.wa.gov/records/frequently-requested-lists) . The WSLCB could begin accepting applications again if needed.

Priority two and three applicants who have already submitted an application may receive a refund if they withdraw their application.

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The mission of the Washington State Liquor and Cannabis Board is to promote public safety and trust through fair administration and enforcement of liquor, tobacco and marijuana laws.

Note to Editors: More information regarding the retail store number recommendation is available **here** (http://lcb.wa.gov/pressreleases/lcb-to-increase-number-of-retail-mj-stores) .

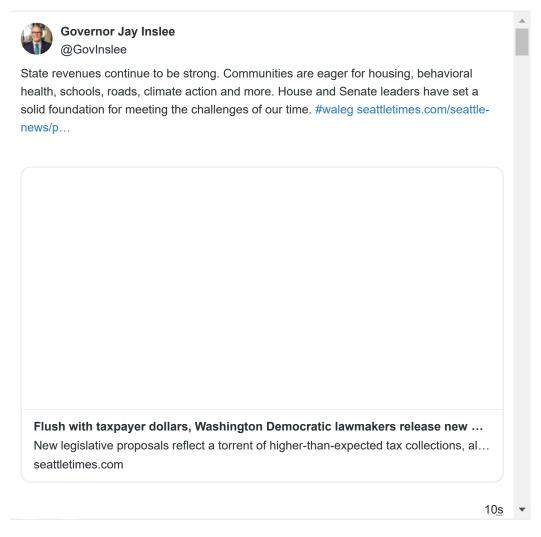
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